

Workers Response to the Main Points in the GP Statement

March 2006

We are a group of GP workers affected by cadmium when working in the GP factories. We have read a statement recently issued by Gold Peak Industries (Holdings) Ltd. which accompanied the offer did not present the facts of the case as they stand. Our response is an attempt to put the record straight.

Main points made in GP's statement	Workers' response
<p>1. At present there are approximately 400 workers who are "under observation" and 10 have been diagnosed with "mild chronic occupational cadmium poisoning"</p>	<p>The figures do not represent either the real number of workers who have been harmed by cadmium or adequately reflect the degree of harm they are suffering. We can provide evidence that will demonstrate the number of workers who have been adversely affected by cadmium is well over 400.</p> <ul style="list-style-type: none"> • There is sufficient evidence to suggest that all three factories colluded with the hospital authorities to provide falsified test results to the battery workers from Chaoba, Xianjin and Jieba factories. This behaviour was particularly grave when the problem first came to light and many workers who should have received compensation and treatment did not do so as a result of the misinformation. Moreover, a large number of workers simply resigned and left the factories in panic when the dangers of working with cadmium were revealed. • Factory management, hospital authorities, individual doctors and government departments all colluded together to exaggerate beyond all proportion the time it takes for the body to expel cadmium. Workers were told that "your body will expel the cadmium in just two weeks". As a result many workers left hospital after two weeks after doctors pronounced them as "normal" or with a "full return to health" following tests and issued them with notice to leave the hospital. These actions effectively forced workers to leave. • On one occasion an individual worker – who had already resigned – was found to have excessive levels of cadmium after arranging a private test. The factory management acknowledged the situation and allowed the worker to return. When this became public knowledge, the factory changed its attitude and refused to meet demands for medical tests from workers, even resorting to violence in order to intimidate the workers.

<p>2. Those “under observation” are not poisoned and do not require medical treatment.</p>	<p>Workers who have excessive levels of cadmium following two urine tests are placed under observation. Although the levels do not equate to having poisonous levels of cadmium, it does not mean that these workers ‘do not require medical treatment.’ China’s “Diagnostic Criteria of Occupational Cadmium (GBZ17-2002)” states that the symptoms of “mild chronic occupational cadmium poisoning” are “dizziness, general weakness, partial or total loss of a sense of smell, lower back and general muscular pain. ” Many workers have displayed these symptoms while under observation. Workers have also suffered from muscular cramps, kidney stones, lung-related problems, numbness, sore throats, and weakness and pains in the hands and feet.</p> <p>Although the diagnostic standards in use in China are higher than those set by the World Health Organisation, these higher standards have a medical basis. As can be seen in Appendix A of the Diagnostic Criteria, a urine test result of between 5-10 μ mol/mol creatinine can lead to an increase in abnormal infection rates of the kidney by between 5-20 per cent. This is in effect the same as saying that the physical health of those infected has already been negatively impacted and that the damage is long term. At the time, the discharge reports issued to the workers when they left hospital did not state that the workers’ health was “normal” or “fully recovered”. The discharge notes instead stated that “because at this time there is no drug [available] that can expel cadmium [from the body] there is no further medical treatment for expelling the poison”. In other words, there is no cure. This was, and is, the reality for those “under observation” in general and those diagnosed as poisoned in particular.</p> <p>The above diagnostic standards are “treatment principles/guidelines” for those dealing with cases of poisoning. The “processing principles” for those who require to be placed under observation are, chiefly, “that the person be closely observed and undergo an annual repeat test.” This is a long way from what is written in the Gold Peak Industries (Holdings) Ltd statement, namely, “[They] can lead normal lives and do NOT required any medical treatment”. In fact, the manner in which the Gold Peak Industries (Holdings) Ltd has dealt with this case is to merely conduct an annual test, while refusing to pay for any medical treatment, health promotion procedures or therapy and has even failed to implement an integrated system of “close observation”.</p> <p>The fact is that the immunity systems of workers and their children are for the</p>
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	<p>most part being negatively affected by cadmium and their susceptibility to illness and disease has increased as a result. Moreover, cadmium's first targets are the respiratory tract, kidney and liver but it can also harm other internal organs rendering people who are relatively weak or suffering with specific physical issues to be more prone to illness and disease.</p> <p>In this light, the workers demands for medical treatment and a nutritional subsidy are entirely reasonable. The Gold Peak Industries (Holdings) Ltd is simply indulging in word play in order to exploit gaps in the law, not face up to its long term responsibilities and, to all intents and purposes, ignore the health requirements of their former employees.</p>
<p>3. 23 per cent of the tested workers previously classified as "under observation" had their cadmium levels return to normal.</p>	<p>In fact some the workers who have succeeded in obtaining a follow-up test result show that the levels of cadmium have risen, not gone down. Those who "had their cadmium levels return to normal" are being classified on the basis of "contaminated urine samples" and another hospital test is required in order to give a clear indication. The factory authorities have also stated that these people must wait for notification before returning. In the meantime the factory management has announced to the outside world of a "return to normal levels" and failed to contact the workers. Moreover:</p> <p>Only 108 out of 400 workers who are under observation took part in the follow up test and just 23 of them had allegedly "return[ed] to normal". The quoted figure of 23 per cent does not reflect the real situation.</p> <p>Secondly, there are various reasons why workers did not take part in the follow up test. Prominent among them is that the factory sent people to collect urine samples in an insulting and unprofessional way. There workers were told that if they wanted to have the test they had to strip naked and then take a shower inspected by a stranger. The young women workers felt that these were unnecessary procedures aimed at insulting their dignity and left the premises.</p> <p>The vast majority of the workers who have not undergone a follow up test continue to demand their right to be tested in a reasonable environment.</p> <p>Thirdly, it takes between 15 and 30 years for cadmium to be expelled completely from the human body. The results from a one-off urine test are hardly sufficient evidence to base a claim that the levels had returned to normal. Furthermore, the results from multiple tests conducted in 2004 demonstrate that cadmium levels can fluctuate considerably. According to the</p>

	<p>recent test results, two workers under observation tested as having excessive levels of cadmium. One of them was diagnosed as mild chronic occupational cadmium poisoning at the end of Feb 2006. She has no more contact with cadmium since she left the factory in 2004.</p> <p>Previously, when urine tests have shown workers to have very high levels of cadmium, the factories' response has been to say that cadmium levels in the urine can fluctuate widely and require multiple tests to get an accurate [average] result. Now that 23 workers have apparently tested with "normal" levels of cadmium in their urine, the factories have adopted the opposite stance and announced a "return to normal."</p> <p>The workers demands with regard to the test results are that there should be a minimum of three successive test results showing acceptable levels of cadmium before a worker can be classified as being in the clear. We demand that until such a time, Gold Peak Industries (Holdings) Ltd should agree to provide a nutritional subsidy in order to prevent the workers' health from deteriorating.</p>
<p>4. Gold Peak Industries (Holdings) Ltd abides by the law in that and they provide medical health checks before formally taking on new workers, conduct annual medical checks on employed workers and a further exit examination when the employment terms ends. Up until 2004, no health problems were revealed as a result of these legal</p>	<p>Prior to 2004, the medical examinations did not include cadmium tests. Xianjin Factory conducted examinations every two years but these did not include cadmium tests. GP (Group) has on many occasions stated that it "does not exclude workers who have excessive levels of cadmium from working at its factories" which renders the "pre-employment tests" ineffective. Yet now Gold Peak Industries (Holdings) Ltd is claiming that "before 2004 the examinations did not reveal any abnormalities whatsoever". These two claims are both contradictory and irreconcilable.</p> <p>At no point did workers receive any pre-employment training.</p> <p>Chinese law on potentially poisonous and harmful occupations began in the 1950s and statutory requirements with regard to cadmium were contained in the 1981 "List of poisonous and harmful chemical processes for workers in the chemical industry." As far as factories whose production involved cadmium, especially those such as the Gold Peak Industries (Holdings) Ltd factories the hazardous nature of cadmium and need for physical protection was hardly a secret. Yet in Gold Peak Industries (Holdings) Ltd factories, even mid-level managers were not fully informed of the dangers.</p> <p>From 2003 when workers began to pay for tests which revealed excessive</p>

<p>procedures.</p>	<p>levels of cadmium in the blood until the present day the strategy and tactics of both the factory managers and Gold Peak Industries (Holdings) Ltd itself has been consistent: ignore, deceive, apply pressure and issue threats. In order to obtain their lawful rights to medical checks and tests, gain access to their results and receive medical treatment, the workers have had no choice but to organise go-slows, strikes and petitions to the central government in order to force albeit limited concessions from the factories. Gold Peak Industries (Holdings) Ltd and its factories in China have violated the Law on Occupational Disease, the Safety in Production Law and the Labour Law. For the company to declare state that it has obeyed the these laws is little more than a bad joke.</p>
<p>5. Gold Peak Industries (Holdings) Ltd arranges medical checkups for workers concerned and shoulder all related expenses as well as meals including expenses of accommodation and land transportation...</p>	<p>We have already addressed the wider questions related to repeat testing in point three of this document. In December 2005, the workers organised a protest near the factory and were subject to violent treatment. The factory management stated that the procedures for the repeat tests were agreed with the Guangdong Provincial Occupational Disease Prevention & Treatment Hospital but the hospital denies this. The Huizhou Department of Health is also not willing to assume this responsibility although this is the exactly the tripartite cooperation that the workers have requested – namely between the factories, hospital and workers themselves. To date, such requests have received no response.</p> <p>Each time tests have taken place, the factories have retained the results – or knowledge thereof – for an excessive length of time. The results of tests that took place in July and September of 2005 were not given to the workers until November.</p> <p>The transportation costs that the Gold Peak Industries (Holdings) Ltd claims it reimburses in full only cover the costs from Huizhou to the nearest railway station to a workers home village or town. The remaining distances can cost up to hundreds of <i>yuan</i> which the factories have refused to refund. These extra costs are not inconsiderable to unemployed workers who may be ill and are usually in straitened circumstances.</p> <p>These challenges that the workers face are not considerable. They are part of a deliberate long term strategy to demoralise the workers and make them give up their struggle. The workers demands are for thorough medical examinations – conducted in a professional manner – of relevant internal organs such as the kidney and the liver and overall physical condition and not simple urine tests.</p>

<p>6. Two workers diagnosed with chronic poisoning were treated in hospital, received full wages and subsidies.</p>	<p>Provision of wages and subsidies for workers while in hospital are basic legal rights. However, the workers in this case only obtained these rights following a sustained, long term struggle. During the period 2004-2005 factory management teamed up with the hospital authorities and local government departments to deceive workers into thinking they had recovered and leaving hospital. The two workers mentioned here also faced these pressures and anxieties.</p> <p>In 2005, another two workers were found excessive cadmium level. They were hospitalised for over a month after a repeat test revealed they had cadmium poisoning. During this time, the factory did not issue any wages or subsidy. On February 18, 2006, Zhang Li, a factory official responsible for the cadmium case, told the two workers that as they had already left the factory, they would not be issued with any wages or subsidy, a decision which has subsequently left these two workers impoverished.</p>
<p>7. In August 2005, Gold Peak Industries (Holdings) Ltd awarded more than the legally stipulated compensation to workers who voluntarily resigned</p>	<p>Apart from applying for the 8000 or 3000 <i>yuan</i> subsidy, the workers who have resigned received legally stipulated compensation. The aforementioned ‘subsidy’ came with a condition: all those who wish to receive it had 15 days to revoke their labour contract. Anyone who exceeded this time limit would have their subsidy cancelled. This was the reality of the so-called voluntary resignation. Any protests or appeals against this ultimatum fell on deaf ears. For a worker who had excessive levels of cadmium and therefore needed to frequently spend more to meet nutritional requirements, 8000 <i>yuan</i> is a pitiful amount.</p> <p>Moreover, some workers only received 7500 <i>yuan</i>. The reasons for this shortfall of 500 <i>yuan</i> lies in strike action that the workers took in June of 2004 in order to win their right to medical tests and diagnosis. The factory managements were simply settling scores by awarding a 500 <i>yuan</i> bonus to workers who did not take part in the strike.</p> <p>To date, the fund established by Gold Peak Industries (Holdings) Ltd appears to be little more than public relations tool. A large proportion of the workers involved are unaware of the fund and those who have heard of it have seen little use in it so far. There appear to be no guidelines publicly available to the workers showing how to apply to the fund for assistance. The workers from the Shenzhen Jieba factory were not informed of the fund’s existence until they took legal action. Two workers from Jieba who had tested positive for</p>

	<p>excessive levels of cadmium but who did not take part in the lawsuit applied for assistance from the factory before they left their jobs. A factory manager responsible for the cadmium issue told them they would not receive any assistance until the results of the court appeal were known. They would then receive the same amount as that stipulated by the court.</p>
<p>8. Special attention was paid to those who were then pregnant or raising infants. We initiated a literature review search. As at present, no cases of cadmium-related diseases in newborns are reported.</p>	<p>Gold Peak Industries (Holdings) Ltd’s concern for pregnant or child-rearing employees was not in evidence prior to the current dispute. In the Chaoba factory, a woman with four months pregnant and more were still working in the fitting department. It was only <i>after</i> urine tests revealed excessive levels of cadmium and the worker was hospitalised at the Guangdong Provincial Occupational Disease Prevention & Treatment Hospital that any transfer was made.</p> <p>Yet, even after the problems became evident, concern for the workers was restricted to avoiding responsibility. Conducting a “literature review research” is hardly enough to conclude that cadmium cannot be passed from mother to child. From the literature review and opinion of the specialist contracted to carry it out, Gold Peak Industries (Holdings) Ltd conclude that “[A]s at present, no cases of cadmium-related diseases in newborns are reported...” Our own incomplete research and reading indicates that cadmium can be passed from mother to child via the placenta.</p> <p>One of the workers hospitalised in 2004 was pregnant. If Gold Peak Industries (Holdings) Ltd was genuinely concerned about pregnant workers, it would have immediately engaged hospital researchers to carry out the literature research review. Of course, they did not do this – indeed dare not do this. The infant of the aforementioned worker was born with large patches of grey-black discolouring over large parts of her body and – in keeping with mother-to-child cadmium cases – continues to have a very low resistance to disease and illnesses displaying a weak immune system, frequent bouts of colds and flu, long term pains in the feet and skin allergies. Other children have been born with tumours in the ears or navel and still more with mental handicaps as a result of cadmium passing from mother to child causing great pain and hardship to families. These results can be confirmed in relevant reports and papers and it is a wonder that the “literature research review” did not reveal them.</p> <p>At least two workers from the Chaoba factory gave birth while they were employed at the factory and paid for tests which revealed excessive levels of</p>

	<p>cadmium in their children. In 2004 a women employee requested that the factory facilitate a medical check up for her child which the factory agreed to. When the mother and child arrived at the factory, management refused to meet their commitment. In August, 2004, another women worker paid for tests on her child which revealed excessive levels of cadmium. However, the factory management refused to acknowledge the test results. Experience has shown us that this is the real face of the so-called “special attention”.</p>
<p>9. Gold Peak Industries (Holdings) Ltd has engaged the Hong Kong Productivity Council to provide monitoring and services to its factories in China.</p>	<p>After the cadmium problems came out into the open, the Huizhou Department of Health demanded that the factories cease production of nickel-cadmium batteries and organised personnel to visit the factories to carry out monitoring and a survey. The department fined the Chaoba Factory 160,000 <i>yuan</i> and ordered a general clean up of the areas affected by cadmium.</p> <p>Chaoba has been accredited with the ISO14001 Certificate a number of times over the years and yet the factory still had a large number of workers with excessive levels of cadmium or with poisonous levels of cadmium. This fact surely casts reasonable doubt on the certification which may have succeeded in hoodwinking the general public but has failed to deceive the workers themselves. Indeed the workers have considerable evidence that raises questions as to how the ISO14001 certificates were obtained by the factory. The Huizhou Department of Health reports have demonstrated how the Xianjin and Chaoba factories fell well short of required safety standards. When the health department ordered that nickel-cadmium batteries no longer be produced, their report stated that hazardous chemicals such as benzene and nickel was still being used on site in a manner that did not meet legal minimum safety standards.</p>
<p>10. In September 2005, 11 applications were considered and approved at the first meeting of the Fund Granting Committee</p>	<p>This “subsidy” was in fact nothing more than the original compensation offer mentioned in point 7 above – 8000 or 3000 <i>yuan</i> –and the condition for receiving the funds is that workers must hand in their notice. The eleven applications are from workers whose cadmium levels are still not normal and nor are the protein levels in their urine adequate. These eleven workers were in fact forced by the factory management to leave hospital despite their condition.</p> <p>As of today, there are still workers with excessive levels of cadmium who were employed in the original factory who have not gained assistance from the Fund.</p>